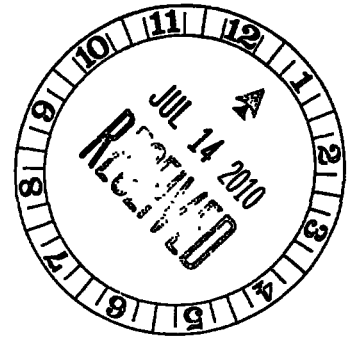


LAW OFFICE
THOMAS F. MCFARLAND, PC.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. MCFARLAND



July 13, 2010

By UPS overnight mail

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

227431

Re: Finance Docket No. 35391, *Gardendale Railroad, Inc. -- Operation Exemption -- Rail Line of Border Transload & Transfer, Inc. at Gardendale, LaSalle County, TX*

Dear Ms. Brown:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49 C.F.R. § 1150.31 for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$1,800 for the filing fee.

ENTERED
Office of Proceedings
JUL 14 2010
Part of
Public Record

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Applicant

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FILED
JUL 14 2010
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
JUL 14 2010
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

GARDENDALE RAILROAD, INC. --)
OPERATION EXEMPTION -- RAIL LINE)
OF BORDER TRANSLOAD &) FINANCE DOCKET
TRANSFER, INC. AT GARDENDALE,) NO. 35391
LASALLE COUNTY, TX)



VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31

GARDENDALE RAILROAD, INC.
P.O. Box 99
102 Willow Drive
O'Fallon, IL 62269

Applicant

ENTERED
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JUL 14 2010
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Public Record

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JUL 14 2010
SURFACE
TRANSPORTATION BOARD

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204 (ph)
(312) 201-9695 (fax)
mcfarland@aol.com

Attorney for Applicant

Date Filed: July 14, 2010

FILED
JUL 14 2010
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

GARDENDALE RAILROAD, INC. --)	
OPERATION EXEMPTION -- RAIL LINE)	FINANCE DOCKET
OF BORDER TRANSLOAD &)	NO. 35391
TRANSFER, INC. AT GARDENDALE,)	
LASALLE COUNTY, TX)	

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.31**

Pursuant to the class exemption at 49 C.F.R. § 1150.31 *et seq.*, GARDENDALE RAILROAD, INC. (GRI), a noncarrier, hereby provides notice of its exemption from 49 U.S.C. § 10901 for its operation of a rail line between Milepost Nos. 107.0 and 105.14, a distance of 1.86 miles, at or near Gardendale, LaSalle County, TX (the Rail Line).

This proceeding is related to Finance Docket No. 35392, *Gregory B. Cundiff, et al.* -- *Continuance in Control Exemption -- Gardendale Railroad, Inc.*, in which Mr. Gregory B. Cundiff and others are filing a notice of class exemption under 49 C.F.R. § 1180.2(d)(2) for their continuance in control of GRI when GRI becomes a rail carrier in this proceeding.

The Rail Line is owned by Crystal City Railroad, Inc, (CCR) and is currently operated by Border Transload & Transfer, Inc. (BTT). Texas Railroad Switching, Inc. (TRS) was authorized to operate the Rail Line in a proceeding identified below. The name of TRS has been changed to BTT. CCR, BTT, and TRS are affiliated with each other, as explained in the Notice of Exemption in Finance Docket No. 35392, *supra*.

In Finance Docket No. 31757, *Crystal City Railroad, Inc. -- Acquisition and Operation Exemption -- Railroad Switching Service of Missouri, Inc. and Texas Railroad Switching, Inc. -- Operation Exemption -- Crystal City Railroad, Inc.*, decision served November 15, 1990, CCR received an exemption to acquire, and TRS received an exemption to operate, 53.41 miles of rail line between Gardendale and Crystal City, TX, and between Crystal City and Carrizo Springs, TX.

In Docket Nos. AB-427X and AB-428X, *Crystal City Railroad, Inc. -- Abandonment Exemption -- in LaSalle, Zavala, and Dimmit Counties, TX and Texas Railroad Switching, Inc. -- Discontinuance of Service Exemption -- in LaSalle, Zavala, and Dimmit Counties, TX*, decision served June 9, 1995, CCR received an exemption to abandon, and TRS received an exemption to discontinue service over, all of the rail lines that had been acquired and operated except 1.86 miles between Milepost Nos. 107.0 and 105.14 at or near Gardendale, TX (the Rail Line).

CCR owns the 1.86-mile Rail Line at present and will continue to own it at the conclusion of this proceeding. BTT is authorized to operate the Rail Line. This proceeding involves BTT's proposed transfer of authority to operate the Rail Line to GRI.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.33

(a) The full name and address of the applicant;

Applicant is Gardendale Railroad, Inc. (GRI), P.O. Box 99, 102 Willow Drive, O'Fallon, IL 62269.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative is Thomas F. McFarland, Thomas F. McFarland, P.C. 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

An agreement has been reached between BTT and GRI for GRI to operate the Rail Line.

(d) The operator of the property;

The operator of the property will be GRI.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject operating authority,

The railroad transferring the operating authority is Border Transload & Transfer, Inc., 100 North Whalen Road, Donna, TX 78537.

(2) The proposed time schedule for consummation of the transaction,

The transactions will be consummated no sooner than 30 days after filing of this notice with the Board.

(3) The mile-posts of the subject property, including any branch lines, and

The Rail Line extends between Milepost Nos. 107.0 and 105.14 at or near Gardendale, LaSalle County, TX.

(4) The total route miles being acquired;

A total of 1.86 route miles will be operated.

(f) A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and States; and

Attached to this notice as Appendix 1 is a map on which the rail line has been shaded in yellow.

(g) A certificate that applicant's projected revenues do not exceed those that would qualify it as a Class III carrier.

Attached to this notice as Appendix 2 is a certificate that GRI's projected revenues do not exceed those that would qualify it as a Class III rail carrier.

VERIFICATION

Attached to this notice as Appendix 3 is a verification of the statements made in this Notice.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

Pursuant to 49 C.F.R. § 1105.6(c)(2), no environmental documentation or report is required for the proposed transaction. Pursuant to 49 C.F.R. § 1105.8(b)(2), no historic documentation or report is required for the proposed transaction.

LABOR PROTECTION

Pursuant to 49 U.S.C. § 10901(c), no labor protection is required for the proposed transaction.

CAPTION SUMMARY

Attached to this notice as Appendix 4 is a caption summary required by 49 C.F.R. § 1150.34.

LAND GRANT RIGHT-OF-WAY

Applicant is not aware of any land grant right-of-way in the rail line.

CONCLUSION

WHEREFORE, the Board should publish notice of the exemption in the *Federal Register* within 16 days of its filing.

Respectfully submitted,

GARDENDALE RAILROAD, INC.
P.O. Box 99
102 Willow Drive
O'Fallon, IL 62269

Applicant

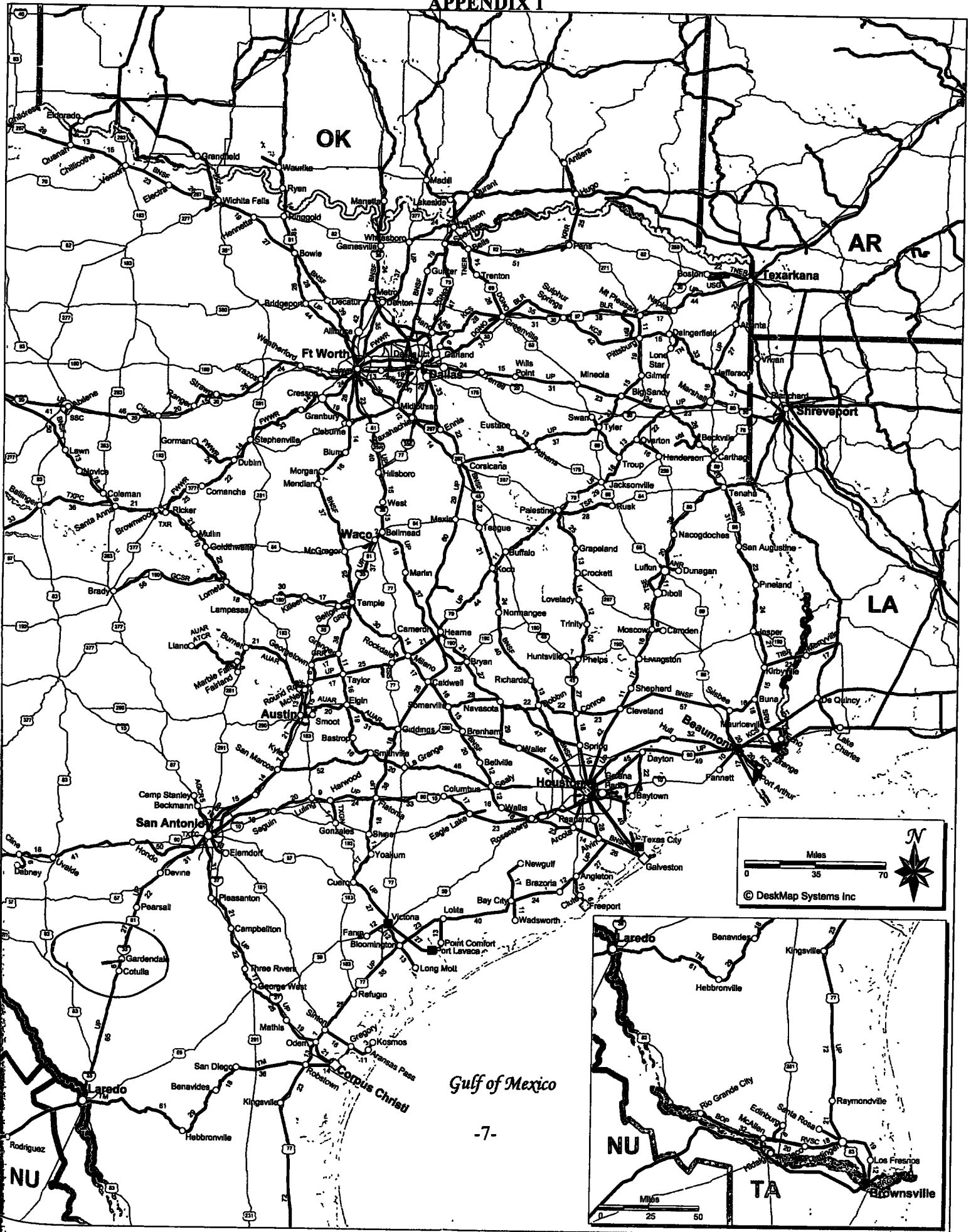
Thomas F. McFarland

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
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(312) 236-0204 (ph)
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Attorney for Applicant

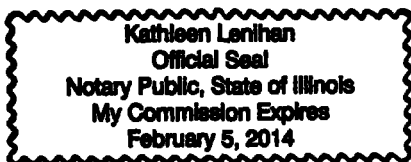
Date Filed: July 14, 2010

APPENDIX 1



CERTIFICATION

THOMAS F. McFARLAND, on oath, states the projected revenues of Gardendale
Railroad, Inc. do not exceed those that would qualify it as a Class III rail carrier.



Thomas F. McFarland
Thomas F. McFarland

SUBSCRIBED and SWORN
to before me this 13th
day of July, 2010

Kathleen Lenihan
Notary Public

My commission expires: 2/5/2014

VERIFICATION

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

THOMAS F. McFARLAND, being duly sworn on oath, deposes and states that he has read the foregoing notice, that he knows the contents thereof, and that the facts therein stated are true and correct.



Thomas F. McFarland
Thomas F. McFarland

SUBSCRIBED and SWORN
to before me this 13th
day of July, 2010.

Kathleen Lenihan
Notary Public

My commission expires: 2/5/2014

CAPTION SUMMARY

**SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION**

(Finance Docket No. 35391)

**GARDENDALE RAILROAD, INC. -- OPERATION
EXEMPTION -- RAIL LINE OF BORDER TRANSLOAD
& TRANSFER, INC. AT GARDENDALE, LASALLE COUNTY, TX**

Gardendale Railroad, Inc. (GRI), a noncarrier, has filed a notice of exemption to operate 1.86 miles of rail line currently operated by Border Transload & Transfer, Inc. between Milepost Nos. 107.0 and 105.14 at or near Gardendale, LaSalle County, Texas. The transaction was to be consummated no sooner than 30 days after the filing of the notice of exemption.

This proceeding is related to Finance Docket No. 35392 in which Gregory B. Cundiff, Connie B. Cundiff, CGX, Inc. and Ironhorse Resources, Inc. have concurrently filed a notice of exemption for their continuance in control of GRI when GRI becomes a rail carrier upon consummation of the transaction described in this notice.

Any comments must be filed with the Board and must be served on applicant's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, ph (312) 236-0204, fax (312) 201-9695, mcfarland@aol.com.

This notice of exemption is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

(SEAL)

By the Board